

MSHDA OFFICE OF COMMUNITY DEVELOPMENT

ENERGY EFFICIENCY STANDARDS FOR OCD FUNDED PROJECTS
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MSHDA's Office of Community Development (OCD) provides funding to assist in the new construction of both for-sale and rental housing developed by nonprofit and local government grantees. OCD places various site and design requirements on these projects to maximize their positive impact on the community (a general standard to meet or exceed the quality and design of neighboring houses, walkable connections to community services, service to the site by existing public infrastructure, etc.).

Over the past few years, increasing attention has been paid to improving the energy efficiency of affordable housing. OCD has been supportive of local efforts to build more energy efficient housing, believing that such efforts not only make housing more affordable for low and moderate-income households to own and maintain but also have positive environmental impacts.

Energy Efficiency Requirements for Projects Involving New Construction: OCD grantees are required to ensure that all new construction units developed with MSHDA assistance must be built to at least the 5-Star Home Energy Standard per the HERS index rating system.

Documentation Requirements: Grantees shall have their building plans and specifications reviewed and rated by a certified HERS rater to include (on site pre-drywall inspection) insuring prescriptive/performance approach building methods and quality control. Additionally, Community Development Specialist staff will review building plans "prior to project set-up approval" on the OCD, On-Line Project Administration Link (OPAL) system. File documentation must be present and certify that the final plans and specifications will achieve a numeric value score on the HERS Index, Energy Star and Efficiency Scales for Rated Homes of:

County	Score Required
Baraga, Chippewa, Gogebic, Houghton, Iron, Keweenaw, Luce, Mackinac, Ontonagon, Schoolcraft	80 or Less DOE Climate Zone 7
Alcona, Alger, Alpena, Antrim, Arenac, Benzie, Charlevoix, Cheboygan, Clare, Crawford, Delta, Dickinson, Emmet, Gladwin, Grand Traverse, Huron, Iosco, Isabella, Kalkaska, Lake, Leelanau, Manistee, Marquette, Mason, Mecosta, Menominee, Missaukee, Montmorency, Newaygo, Oceana, Ogemaw, Osceola, Oscoda, Otsego, Presque Isle, Roscommon, Sanilac, Wexford	80 or Less DOE Climate Zone 6
Allegan, Barry, Bay, Berrien, Branch, Calhoun, Cass, Clinton, Eaton, Genesee, Gratiot, Hillsdale, Ingham, Ionia, Jackson, Kalamazoo, Kent, Lapeer, Lenawee, Livingston, Macomb, Midland, Monroe, Montcalm, Muskegon, Oakland, Ottawa, Saginaw, Shiawassee, St. Clair, St. Joseph, Tuscola, Van Buren, Washtenaw, Wayne	85 or Less DOE Climate Zone 5

The lower the score, the more efficient the home. Upon construction completion, MSHDA expects grantees to have new homes tested by a HERS certified tester for confirmation that units were built to the standards outlined in the plans and specifications and the homes achieve the appropriate HERS score related to air infiltration and receive the Five Star Home Energy Rating Certificate.

Soft Costs: The costs, if any, associated with having building plans and specifications reviewed and certified as well as any costs for final testing of the finished unit are soft costs. As such, these costs should be paid from the proceeds of the developer fee.

OCD continues to encourage grantees to access any available leverage funding. As with other sources of leveraged funding, grantees that consistently access additional sources of subsidy receive additional consideration during MSHDA's review of competitive applications under the Housing Resource Fund.

Resources: OCD will continue to provide training on these new requirements. In addition to training sponsored by MSHDA, grantees are encouraged to learn more from the resources listed below.

- One of the most comprehensive resources for both information and links to technical information is the federal government's Energy Star website at: <http://www.energystar.gov> and <http://www.hud.gov/offices/cpd/library/energy/energystargrantees.pdf>

Among others things, this website provides a search engine identifying qualified HERS raters and builders by state, search (Partner Resources) and presentations that grantees might use to educate appraisers about the added value from Energy Star construction and to market the benefits of such homes to potential buyers.

- HUD's website contains additional information on its Energy Action Plan and other related initiatives at <http://www.hud.gov/offices/cpd/energyenviron/>
- Partnerships for Home Energy Efficiency is a joint effort of the U.S. Department of Energy, the U.S. Environmental Protection Agency, and the U.S. Department of Housing and Urban Development. The website is <http://www.energysavers.gov/>
- In April 1995, the National Association of State Energy Officials and Energy Rated Homes of America founded the Residential Energy Services Network (RESNET) to develop a national market for home energy rating systems and energy efficient mortgages. RESNET's website provides a variety of information on, among other issues, energy efficient building techniques, becoming certified as an energy rater, and understanding energy efficient mortgage products. The website is <http://natresnet.org/>
- A local source of information is the Warm Training Center at <http://www.warmtraining.org/>.
- Finally, the State of Michigan's Energy Office provides additional information and expertise. That website is: <http://www.michigan.gov/cis/0,1607,7-154-25676---,00.html>